

**CITY OF SAN JOSE AND ALP
CITY PACKAGE PROPOSAL "B"**

TERM

July 1, 2011 – June 30, 2012

WAGES

See attached proposal dated March 11, 2011

SICK LEAVE PAYOUT

See attached proposal dated March 11, 2011

VACATION SELLBACK

See Attached

DISABILITY LEAVE SUPPLEMENT

See attached proposal dated March 11, 2011

RELEASE TIME

See attached proposal dated March 11, 2011

HOLIDAY CLOSURE

See attached proposal dated March 11, 2011

SIDE LETTERS

- Retirement Benefits for current and new employees (See Attached)
- Supplemental Retiree Benefit Reserve (SRBR) (See Attached)
- Subsidy for Public Transit (See Attached)

This proposal is submitted in an attempt to reach a settlement. In the event the proposal is not accepted, the City reserves the right to modify, amend and/or add proposals.

2011 CITY OF SAN JOSE – ALP

CITY PROPOSAL – WAGES

Proposed Language:

Effective June 27, 2010, all salary ranges for employees holding positions in classifications assigned to ALP shall be decreased by approximately 4.75%. This will result in the top and bottom of the range of all classifications represented by ALP being 4.75% lower. All employees will receive a 4.75% base pay reduction.

Effective June 26, 2011, all salary ranges for employees holding positions in classifications assigned to ALP shall be decreased approximately by an additional 5.39%. This will result in the top and bottom of the range of all classifications represented by ALP being an additional 5.39% lower. All employees will receive an additional 5.39% base pay reduction.

This language is intended to:

- *Replace the section entitled "Pay Reduction" in the ALP Tentative Agreement dated June 15, 2010, and delete the section entitled "Mandatory Unpaid Furlough Days" in the ALP Tentative Agreement dated June 15, 2010.*

2011 CITY OF SAN JOSE – ALP

CITY PROPOSAL – SICK LEAVE PAYOUT

The City proposes to eliminate Sick Leave Payout. Effective July 1, 2011, no employee shall be eligible for a sick leave payout.

CITY PROPOSAL – VACATION SELLBACK

Proposed Language:

ALP represented employees are eligible to sell back one hundred twenty (120) hours of accrued vacation per payroll calendar year.

Effective December 25, 2011, employees may elect to sell back up to a maximum of sixty (60) hours of vacation accrued in 2012 and in accordance with the guidelines set below.

Internal Revenue Service (IRS) regulations require the City to report and withhold taxes on the value of the vacation time an employee is **eligible** to sell back. In order to ensure compliance with the IRS requirements and to avoid unanticipated tax consequences for 2012:

- ALP represented employees must elect the number of vacation hours they will sell back during 2012, up to the maximum of sixty (60) hours, by November 26, 2011.
- The election to sell back vacation hours in 2012 is **irrevocable**. This means that ALP represented employees must sell back the elected number of accrued vacation hours during 2012.
- ALP represented employees who do not make an election or who do not submit an irrevocable election form to Payroll on or before November 26, 2011, will not be eligible to sell back any vacation hours in 2012.
- ALP represented employees can elect to sell back only vacation hours accrued during 2012, and any vacation hours accrued and carried over prior to 2012 are not eligible for sell back in 2012.
- Any vacation hours accrued in 2012 by ALP represented employees will not be available for use until the employee's accrued vacation hours in 2012 equal the number of hours the employee has elected to sell back in 2012. Then, only those vacation hours accrued in 2012 over the number of hours an ALP represented employee elected to sell back in 2012 will be available for use by the employee. This means that hours elected for sell back may only be used for sell back purposes and cannot be used for vacation time off purposes.
- ALP represented employees may still use any vacation hours accrued and carried over prior to 2012, subject to the normal rules of requesting use of vacation. Any vacation hours accrued and carried over prior to 2012 are not eligible for sell back.

CITY PROPOSAL - DISABILITY LEAVE SUPPLEMENT

Effective June 26, 2011, Disability Leave Supplement (DLS) is eliminated. Any employee receiving DLS as of June 25, 2011, will no longer be eligible to receive DLS starting June 26, 2011. Employees will only be eligible to receive Workers' Compensation Temporary Disability.

This language is intended to:

- *Replace the section entitled "Disability Leave Supplement" in the ALP Tentative Agreement dated June 15, 2010.*

CITY PROPOSAL – RELEASE TIME

Proposed Language

City Paid Union Release Time (URT). The designated Union Representative(s) shall use the City Paid Union Release Time (URT) payroll code for any paid time off eligible for release time from regular City duties to attend authorized meetings. The designated Union Representative(s) shall not receive compensation for meetings that may occur outside their regular work hours, inclusive of any unpaid lunch period.

2011 CITY OF SAN JOSE – ALP

CITY PROPOSAL – HOLIDAY CLOSURE

Proposed Language:

The appropriate appointing authority or designee may determine that all non-essential City operations close for a Holiday Closure during the Christmas and New Year's holiday. In such event, employees shall be encouraged to take time off; however, it shall not be a requirement.

If a department participates in the Holiday Closure and the employee elects to participate in the Holiday Closure using the Holiday Closure payroll code, the employee will be required to pay retirement contributions on any Holiday Closure hours and will not accrue vacation or sick leave while taking Holiday Closure time off.

Classified employees will continue to accrue seniority while using the Holiday Closure payroll code as though they were at work.

Side Letter Agreement

BETWEEN

THE CITY OF SAN JOSE

and

THE ASSOCIATION OF LEGAL PROFESSIONALS OF SAN JOSE (ALP)

RETIREMENT REFORM

The City and the Association of Legal Professionals of San Jose (ALP) agree to continue meeting and conferring on pension and retiree healthcare benefits for current and future employees.

Either the City or ALP may provide notice to the other of its request to continue to meet and confer. Upon such notice, the parties shall continue these negotiations within ten (10) calendar days after the City or ALP receives notice from the other. The City and ALP shall continue to meet and confer in good faith in an effort to reach a mutual agreement.

If the parties are at impasse and no agreement is reached, either party may invoke the impasse procedures in accordance with the applicable provisions under the Employer-Employee Relations Resolution No. 39367. The parties understand that this means that, notwithstanding any other provision in any successor agreement between the City and ALP, the City will have the right to unilaterally implement in the event that no agreement is reached at the conclusion of negotiations and mandatory impasse procedures.

This Agreement is tentative and shall become effective only as part of the overall agreement on, and only during the term of, a successor agreement between the City and ALP.

FOR THE CITY:

FOR ALP:

Gina Donnelly Date
Deputy Director of Employee Relations

William Clark Date
Association of Legal Professionals of San
Jose (ALP)

Side Letter Agreement

BETWEEN

THE CITY OF SAN JOSE

and

THE ASSOCIATION OF LEGAL PROFESSIONALS OF SAN JOSE (ALP)

SUPPLEMENTAL RETIREE BENEFIT RESERVE (SRBR)

The City and the Association of Legal Professionals of San Jose (ALP) agree to discuss the Supplemental Retiree Benefit Reserve (SRBR) program in the Federated City Employees' Retirement System.

Either the City or ALP may provide notice to the other of its request to discuss the SRBR program. Upon such notice, the parties shall continue these discussions within ten (10) calendar days after the City or ALP receives notice from the other.

To the extent that any change to the SRBR program is a mandatory subject of bargaining, the City and ALP shall meet and confer in good faith in an effort to reach a mutual agreement. If the parties are at impasse and no agreement is reached on those issues that are a mandatory subject of bargaining, either party may invoke the impasse procedures in accordance with the applicable provisions under the Employer-Employee Relations Resolution No. 39367. The parties understand that this means that, notwithstanding any other provision in any successor agreement between the City and ALP, the City will have the right to unilaterally implement in the event that no agreement is reached at the conclusion of negotiations and mandatory impasse procedures.

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SUBSIDY FOR PUBLIC TRANSIT

The City and the Association of Legal Professionals of San Jose (ALP) agree to discuss the programs available to employees that provide subsidy for public transit. Discussions shall include, but not be limited to, modifications to the programs, voucher amounts and elimination of the programs.

Either the City or ALP may provide notice to the other of its request to discuss the programs available to employees that provide subsidies for public transit. Upon such notice, the parties shall continue these discussions within ten (10) calendar days after the City or ALP receives notice from the other.

To the extent that any change to the programs may be a mandatory subject of bargaining, the City and ALP shall meet and confer in good faith in an effort to reach a mutual agreement. If the parties are at impasse and no agreement is reached, either party may invoke the impasse procedures in accordance with the applicable provisions under the Employer-Employee Relations Resolution No. 39367. The parties understand that this means that, notwithstanding any other provision in any successor agreement between the City and ALP, the City will have the right to unilaterally implement in the event that no agreement is reached at the conclusion of negotiations and mandatory impasse procedures.

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